

VZCZCXR06268
PP RUEHRC
DE RUEHBR #1237 1721318
ZNR UUUUU ZZH

P 211318Z JUN 06
FM AMEMBASSY BRASILIA

TO RUEHC/SECSTATE WASHDC PRIORITY 5824
INFO RUEHRI/AMCONSUL RIO DE JANEIRO 2315
RUEHSO/AMCONSUL SAO PAULO 7234
RUEHRC/AMCONSUL RECIFE 4994
RUEHBS/AMEMBASSY BRUSSELS 0107
RUEHMD/AMEMBASSY MADRID 0572

UNCLAS BRASILIA 001237

SIPDIS

SIPDIS

STATE FOR OES/ENV JOHN THOMPSON

E.O. 12958: N/A

TAGS: [SENV](#) [ETRD](#) [ECON](#) [KSCA](#) [BR](#)

SUBJECT: BRAZILIAN RESPONSE TO REACH INTERVENTION DEMARCHE

REF: 06 STATE 91954

¶1. Scioff delivered reftel and talking points to Raphael Azeredo and Otavio Trindade of the MFA's Division for Environmental Policy and Sustainable Development on June 16. Azeredo declared that the GoB, possessing a highly developed chemical industry, was immensely concerned with investing in R&D and chemical safety regulation. However, he also noted that excessive regulation was a worry and that there is "a fine line between policies that safeguard and policies that create unwanted trade barriers". The GoB is worried that REACH goes too far in "restricting access". According to Azeredo, Brazil's chemical governance structure is highly developed and in line with existing international standards. Therefore, the GoB believes that a new regimen and structures will harm Brazilian commercial interests.

¶2. In response to Scioff's suggestion that the GoB broach the talking point concepts with its EU allies, Azeredo stated he would call the GoB Mission in Brussels on Monday and evaluate the state of affairs, at that time. He noted that if Brussels concurred with the situation's proscribed urgency, the GoB would identify specific countries to approach. Scioff later elicited that Spain was a likely target because of its heavy investment into Brazil's chemical industry. Interestingly, Azeredo considers Germany and Great Britain to be REACHES most avid champions, due to the protection and support it would afford their domestic chemical industries. He further noted that he expects India and China to be of a similar mind to Brazil and the USG.

CHICOLA